

mcc
2/27



The President's Daily Brief

February 27, 1974

3



~~Top Secret~~^{25X1}

Exempt from general
declassification schedule of E.O. 11652
exemption category 5B(1)(2)(3)
declassified only on approval of
the Director of Central Intelligence

THE PRESIDENT'S DAILY BRIEF

February 27, 1974

PRINCIPAL DEVELOPMENTS

China is making a special effort to signal the West, and Washington in particular, that the anti-Lin, anti-Confucius campaign does not affect Peking's policy toward the US. (Page 1)

Italy appears ready to release three Arab terrorists charged with planning to shoot down an Israeli airliner in Rome last September. (Page 2)

The Moroccan Government is concerned over the possibility of disorders as it looks toward the anniversary of the King's accession on March 3. (Page 3)

Mrs. Meir may ask Israel's President for another day or two to persuade Defense Minister Dayan, Transportation Minister Peres, and National Religious Party leaders to join the new cabinet. (Page 4)

UN Security Council members are working to head off Iraq's threat to call a council meeting today over the recent border clash with Iran. (Page 5)

25X1

Tunisia

(Page 6)

25X1

Notes on Japan, Ethiopia, and Iraq-Syria appear on Page 7.

FOR THE PRESIDENT ONLY

CHINA

The Chinese are making a special effort to signal the West, and Washington in particular, that the anti-Lin, anti-Confucius campaign does not affect Peking's policy toward the US.

Premier Chou En-lai so far has been the only top government figure to speak openly about the campaign. Addressing a diplomatic banquet on February 24, Chou cast his remarks about the movement within a narrow domestic political context. PRC newsmen in Hong Kong have reassured American journalists that chaos in China is not imminent, that Premier Chou is not in trouble, and that Chinese foreign policy is not going to be affected by the campaign.

Deputy Foreign Minister Chiao Kuan-hua told the West German ambassador in Peking on February 21 that recent developments in China have not changed relations with the US, and that Peking will continue to adhere to the policy outlined in the Shanghai communiqué. On another occasion recently Chiao privately labeled as ridiculous any speculation that Ambassador Bruce's return to Washington and Huang Chen's prolonged stay in Peking indicated problems between China and the US.

The Chinese are also making an effort to counter foreign press reports that businessmen are meeting difficulties in dealing with Chinese organizations. A China Resources Company official in Hong Kong assured US Consulate officers two days ago that the political campaign in China would not affect commercial relations. The Hong Kong office of the China Travel Service has informed the consulate that businessmen are traveling normally in China and that there has been no change in the processing of applications for foreign businessmen to enter the country.

ITALY

Italy appears about ready to release three Arab terrorists charged with intending to down an Israeli airliner with Soviet-made missiles in Rome last September. [REDACTED]

25X1

[REDACTED] by March 4 they will have been under detention for six months.

Rome has repeatedly assured US officials that the government cannot influence the "independent" Italian judiciary. It is nonetheless clear that major government officials, [REDACTED]

[REDACTED] favor an early release of the terrorists.

25X1

Rome's policy apparently is inspired not only by fear of reprisals by the PLO but also by a desire to improve relations with Arab oil producers--particularly Libya, the country's largest petroleum supplier. On February 25, the Libyans agreed to increase annual oil shipments to Italy from 23 to 30 million tons.

MOROCCO

The government is concerned over possible disorder as it looks toward March 3, the anniversary of King Hassan's accession to the throne and the date on which short-lived disorders broke out last year.

25X1

25X1

25X1

The government has also set up numerous roadblocks and has issued a communiqué stating that a small group of Moroccan dissidents had been captured recently after crossing the border from Algeria.

The Moroccan Government believes the current subversion is backed by Libya. Tripoli has made no attempt to hide its hostility to King Hassan since Qadhafi publicly supported a coup attempt against Hassan in 1971.

Although officers of the armed forces remain the chief internal threat to the King, there is currently no firm evidence of organized opposition within the military. Most potential troublemakers have been neutralized through reassignment, and the leaders of the two abortive coup attempts have been executed. Nevertheless, there is increased restiveness within the officer corps over their direct subordination to the King, his continuing distrust of the armed forces, and Morocco's lack of modern military equipment.

In the short run, King Hassan should easily be able to control isolated subversion launched from abroad or local demonstrations of popular discontent. The King continues to demonstrate both his willingness to deal harshly with dissident activity and his considerable skill in political manipulation. Effective power is increasingly concentrated in the palace, and the throne enjoys some popular support.

FOR THE PRESIDENT ONLY

ISRAEL

Mrs. Meir may ask President Katzir today to allow her another day or two to form a government. She evidently wants the time to persuade Defense Minister Dayan, Transportation Minister Shimon Peres, and National Religious Party leaders to join the new cabinet. Mrs. Meir intends to present her cabinet to the Knesset for a vote of confidence on March 4.

The Prime Minister's efforts to convince Dayan and Peres were encouraged yesterday when the Alignment's Rafi faction urged both men to remain in the cabinet. Dayan and Peres are leading members of this faction.

The National Religious Party, meanwhile, has apparently rejected another Alignment compromise offer on the religious issue. It announced no change from its earlier decision not to join the coalition; it still has to make a final decision on whether to vote for the minority government.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

UN-IRAQ-IRAN

UN Security Council members are working to head off Iraq's threat to call a council meeting this afternoon if satisfactory progress is not made to resolve its complaint over the recent border clash with Iran.

The French president of the council has drafted a new, more or less neutral consensus statement which the Iranian and Iraqi representatives have agreed to refer to their capitals. The Iranian, however, appears to prefer an Australian compromise which leans in his country's favor.

Iraq may be willing to postpone the council meeting for another day or two if it is satisfied that Iran is moving toward an accommodation. If not, Iraq could present a resolution along the lines of the new French statement, perhaps altered so as to receive enough votes to pass.

Meanwhile, the situation along the border remains generally quiet, although both countries have continued to reinforce their forces at various points. Iraqi military movements continue in the northern area, but these are partly related to operations against the Kurds.

FOR THE PRESIDENT ONLY

TUNISIA

<div data-bbox="315 478 1032 508" style="border: 1px solid black; height: 14px; width: 442px;"></div>	25X1
<div data-bbox="233 508 1078 613" style="border: 1px solid black; height: 50px; width: 520px;"></div>	25X1
<div data-bbox="233 613 565 642" style="border: 1px solid black; height: 14px; width: 204px;"></div>	25X1
<div data-bbox="315 659 1078 688" style="border: 1px solid black; height: 14px; width: 470px;"></div>	25X1
<div data-bbox="233 688 1078 819" style="border: 1px solid black; height: 62px; width: 520px;"></div>	25X1
<div data-bbox="315 835 1049 865" style="border: 1px solid black; height: 14px; width: 452px;"></div>	25X1
<div data-bbox="227 865 1062 953" style="border: 1px solid black; height: 42px; width: 514px;"></div>	25X1
<div data-bbox="315 970 993 999" style="border: 1px solid black; height: 14px; width: 418px;"></div>	25X1
<div data-bbox="227 999 1091 1125" style="border: 1px solid black; height: 60px; width: 532px;"></div>	25X1

NOTES

Japan: Prime Minister Tanaka has formally decided not to seek ratification of the Non-Proliferation Treaty during the current Diet session, according to Tokyo press reports. The session will end by early summer. Administrative foot-dragging, including the reluctance of Science and Technology Minister Moriyama to support the treaty, has precluded the possibility of establishing a safeguard system during the session. The Japanese regard this as a necessary prerequisite for ratification. Government sources suggest that progress may be possible after Upper House elections this summer and the formation of a new cabinet.

Ethiopia: Army and air force enlisted men, non-commissioned officers, and some junior officers in Asmara went on strike yesterday morning over low pay and placed their senior officers under restraint by closing off the compound containing the officers' living quarters. The US consul reports there are indications that a tank brigade and police and naval elements in Asmara have joined the dissidents [redacted]

25X1

25X1
25X1

[redacted] There are no reports of violence or any evidence that direct military action is planned against the regime.

25X1

Iraq-Syria: Baghdad's recent offer to grant \$50 million to Syria as part of a fund for defraying war damages may well have been an attempt by Iraqi leaders to strengthen Syrian opponents of disengagement. President Asad is likely to have interpreted the Iraqi offer in this light; there was no reference to it in the Syrian press, and Asad's government applied pressure on Egypt to have the Middle East News Agency kill the story. Syria has substantial aid commitments from other Arab countries and can do without Iraqi money.

Top Secret